



You Deserve a Break: Receiving an Apprenticeship Tax Credit



The State of Arkansas rewards companies that employ apprentices by offering employer tax credits. Companies with USDOL Registered Apprenticeship (RA) programs are eligible for a tax credit of up to \$2,000 per apprentice up to a maximum amount of \$10,000 per year, or 10% of the wages earned in a taxable year.

Documents Needed to Receive an Apprenticeship Tax Credit

EMPLOYER & SPONSOR AGREEMENT	APPRENTICESHIP AGREEMENT	EMPLOYER W-2	WAGE FORM	DAVIS-BACON CERTIFICATE*
<u>This confirms the agreement you have with the apprentice</u>	Contact the apprenticeship school to get finalized agreement between the school, apprentice, and DOL	W-2 forms are issued by the employer	<u>This form documents apprenticeship wages</u>	<u>This form certifies that apprentices are receiving competitive wages</u>

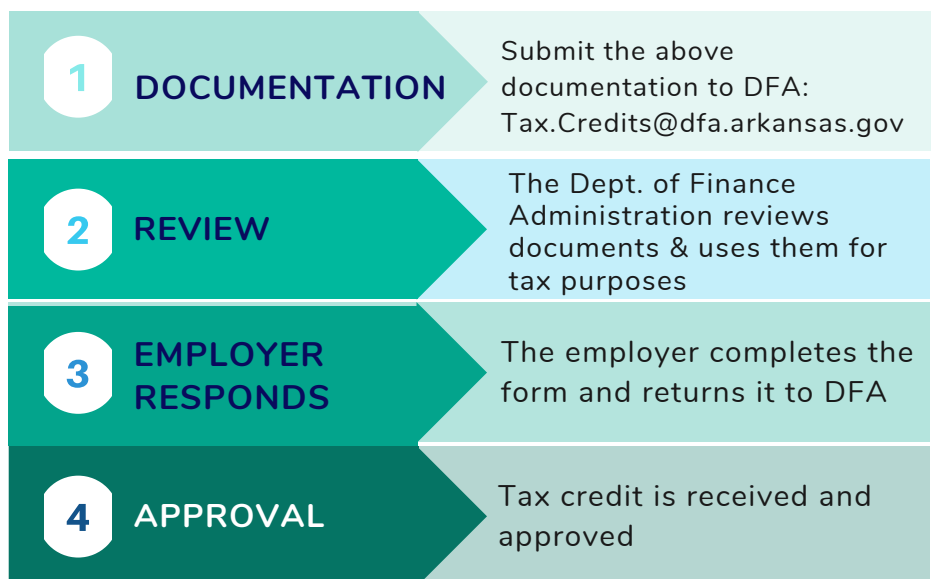
*Davis-Bacon Certificate applies to contracts in excess of \$2,000 to which the U.S. government or District of Columbia is a party.

Step-by-Step Process to Receiving an Apprenticeship Tax Credit

To claim these benefits the Office of Skills Development (OSD) can help.

Follow the process to the right, each step is explained and links to the required forms are above. For more information you can visit the DFA website regarding special tax credits:

<https://www.dfa.arkansas.gov/excise-tax/tax-credits-special-refunds/business-incentives-and-credits/>



If you have additional questions please call the Arkansas Department of Finance Administration (DFA) at 501-682-7106 or Office of Skills Development (OSD) at 501-682-1360.